

SECRET

BFB
BE - R
CM

OXC-5213

28 June 1963

MEMORANDUM FOR THE RECORD

SUBJECT: Concurrence in Amendment No. 1 to Contract No. JM-1940 with Hughes Aircraft Company, Culver City, California, Project OXCART

1. This memorandum contains a recommendation submitted for concurrence of the undersigned. Such recommendation is contained in Paragraph 6.

2/

Amendment No. 1 revises the work to scope to expand the study in specific areas and extends the completion date to 18 October 1963. Contractor submitted a CPFF proposal for \$54,564.00. However, through negotiations this was reduced to \$46,729.00 cost and \$3,271.00 fee on a total of \$50,000.00.

3154-1070-6000

3. Amendment No. 1 obligates an additional \$50,000 chargeable to OSI funds in FY-1963 (Allot. No. 3154-1070-6000). By concurrence to this memorandum the Chief, Budget and Finance Branch signifies that sufficient funds are available for this obligation.

4. The services and equipment being procured by this Amendment No. 1 to Contract No. JM-1940 are in furtherance of the OXCART Program, the nature of which cannot be publicly disclosed for security reasons.

5. Certification of funds for this contract will be handled under the procedure approved by the Director of Central Intelligence on 15 December 1956 which, in effect, results in all covert expenses involving issuance of Treasury Checks being accumulated in a separate account within the Finance Division. The amounts in this account will be periodically scheduled for certification of the vouchers by the Director. This procedure eliminates the necessity for a separate certification of authority under Section 8(b) of Public Law 110, 81st Congress (formerly 10(b) - see 85-507 dated 7/7/58) for each contract.

SECRET

SECRET

6. , Concurrence in Amendment No. 1 to Contract No. JM-1940 is recommended.

[Redacted]

25X1

Contracting Officer, OSA

CONCURRENCES:

[Redacted]

CH/BFB/OSA

28 Jun 63
Date

25X1

¹⁵¹
J. PARANGOSKY
D/TECH/OSA

29 June 63
Date

¹⁵¹
[Redacted]

OGC

29 June 63
Date

25X1

CD/OSA-DD/1 [Redacted] d:mrc

Distribution:

Cy 1 - CD/OSA - JM-1940

2 - BFB/OSA

3 - RB/OSA

25X1

SECRET

SECRET

D-10

OXC-5212
Contract No. AF33(657)-10807
Amendment No. 1
File No. JM-1940
COPY 3 of 5

28 JUN 1963

Hughes Aircraft Company
Florence Avenue and Teale Street
Culver City, California

Gentlemen:

1. This document constitutes Amendment No. 1 to Contract No. JM-1940 between the parties hereto and said contract is amended as hereinafter set forth.

2. Pursuant to the Clause of the General Provisions entitled "Changes" the Government has directed and the Contractor shall comply with certain changes and revisions to work scope set forth in Exhibit "A" to the contract. Said changes and revisions are identified and set forth in APPENDIX I attached hereto and made a part of this contract at an increase in estimated cost and fixed fee of \$46,729.00 and \$3,271.00 respectively.

3. As a result of the foregoing PART III - ESTIMATED COST AND FIXED FEE of the Schedule is revised to read as follows:

"PART III - ESTIMATED COST AND FIXED FEE

A. The total estimated cost for the performance of this contract exclusive of fixed fee is \$100,869.00.

B. The total fixed fee for the performance of this contract is \$7,061.00"/

4. All other terms and conditions of this Amendment No. 1 to Contract No. JM-1940 remain unchanged.

5. Please indicate your receipt of this Amendment No. 1 to Contract No. JM-1940 and your acceptance thereof by executing the original and two copies of this Amendment. Return the fully executed original and one copy of this Amendment to the undersigned and retain the remaining copy for your files.

ACKNOWLEDGED AND ACCEPTED

HUGHES AIRCRAFT COMPANY

BY

TITLE _____ DATE 2 July 1963
EXECUTIVE VICE PRESIDENT

Very truly yours,

Contracting Officer

25X1
25X1**SECRET**

APPENDIX I
CONTRACT NO. JM-1940

Exhibit "A", STATEMENT OF WORK, is modified as follows:

1. Add the item designation "Item I" so that the first line of the first paragraph shall read: "Item I. The Contractor shall provide engineering, analytical and".
2. Add Item II as follows:
"Item II. The Contractor shall provide engineering, analytical and computing services as required for continuation of probability of mission success studies based on the results of Item I hereof. Such studies shall take into account modified performance parameters and greater vectoring errors than those considered under Item I. Further analysis of both target and interceptor tactics shall be accomplished.
Results shall be reported as they become available. A final report shall be submitted to the Procuring Agency by 15 August 1963."
3. Add Item III as follows:
"Item III. The Contractor shall provide engineering, analytical and computing services as required to conduct an analysis of emergency modes. The analysis shall cover (1) target conditions as specified by the Procuring Agency and (2) all interceptor systems which appear to have a reasonable capability for interception.
Results shall be reported as they become available. A final report shall be submitted to the Procuring Agency by 18 October 1963."
4. Add Item IV as follows:
"Item IV. The Contractor shall provide consulting services at times and places to be specified by the Procuring Agency, with supporting analytical and computing services at Contractor's facility. Effort under this item shall extend through 30 June 1964 and shall consist of a series of specific tasks which the Procuring Agency will authorize from time to time. Contractor shall expend effort under this item only upon receipt of such specific authorization. Total effort under this item shall not exceed 1000 man-hours, exclusive of computer programming and operation."

SECRET

Page Denied